its implications for the Indian Automobile Industry. This study has stated that the implementation of the commitments undertaken by India as a member of the WTO will have far reaching implications for the automobile industry in India. As regards the impact on the domestic automobile industry in other developing countries, this study has stated that the countries which have allowed the import of second hand (used) vehicles have not been successful in establishing a competitive automobile industry.

However, even after removal of quantitative restrictions the imports will still be subject to applicable tariffs, technical standards and environment and safety norms. These measures singly or in combination can be appropriately used to create a level playing field for the domestic automobile industry. A decision on this issue will be taken in due course after examining all relevant aspects.

Production of Tobacco in Andhra Pradesh and Karnataka

803. SHRI K. RAHMAN KHAN : Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that tobacco growers of Andhra Pradesh and Karnataka cultivated tobacco more than the permissible limits during the last three years;

(b) if so, the details in this regard;

(c) whether it is also a fact that a production limit of 25 million kg. for Karnataka for the current year has been fixed; and

(d) if so, how Government propose to ensure that this limit of production is not exceeded by the growers?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN): (a) and (b) Yes Sir. Details as below:

Year	State	Crop authorised (M.Kgs.)	Crop produced (M.Kgs.)	Excess production (M.Kgs.)
1	2	3	4	5
1997-98	A.P.	110.39	131.61	21.22
	Karnataka	31.00	39.00	8.00
	Total	141.39	170.61	29.22
1998-99	A.P.	99.83	149.60	49.77

1	2	3	4	5
	Karnataka	40.00	54.89	14.89
	Total	139.83	204.49	64.66
1999-2000	A.P.	101.61	138.68	37.07
	Karnataka	40.00	48.26	8.26
	Total	141.61	186.94	45.33

(c) Yes, Sir.

(d) The Tobacco Board has given wide publicity to all farmers to confine their production within authorised limits. Print, radio and television media have been used to discourage excess production. Banks have been informed to fund crop loans only to registered farmers and as per authorised quantities. Violators stand to be prosecuted and will have to pay higher service charges and penal contributions. Unregistered farmers and habitual excess crop producing famrers have been denied benefits of the schemes extended to farmers.

Crop Holiday for Tobacco Growers in Andhra Pradesh and Karnataka

804. SHRI K. RAHMAN KHAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether crop holiday for tobacco cultivators in Andhra Pradesh and Karnataka has been announced; and

(b) if so, reactions of tobacco growers thereto?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN): (a) No, Sir.

(b) Does not arise.

Allowing 100 per cent FDI for certain items in Small Scale Sector

805. SHRI C.M. IBRAHIM: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government have decided to allow foreign investors 100 per cent foreign direct investment and manufacture of items reserve for small scale sector in special economic zones;

(b) if so, the reasons therefor;

(c) what are the guidelines for setting up special economic zones; and